

WAC 458-20-177 SALES OF MOTOR VEHICLES, CAMPERS, AND TRAILERS TO NONRESIDENTS.

The scope of this rule is limited to sales by dealers in this state of motor vehicles, campers, and trailers to nonresidents of the state for use outside the state.

For the purposes of this rule, members of the armed services (but not including civilian military employees) who are temporarily stationed in the State of Washington pursuant to military orders will be presumed to be nonresidents unless such persons were residents of this state at the time of their induction; the term "vehicle" as used herein refers to motor vehicles, campers, and trailers.

**BUSINESS AND OCCUPATION TAX**

In computing the tax liability of persons engaged in the business of selling vehicles no deduction is allowed by reason of sales made to nonresidents for use outside this state but who take delivery in Washington, and irrespective of the fact that such buyers may be entitled to a statutory exemption from the retail sales tax.

A deduction from gross proceeds of sales will be allowed when, as a necessary incident of the contract of sale, the seller agrees to, and does, deliver the vehicle to the buyer at a point outside the state, or delivers the same to a common carrier consigned to the purchaser outside the state.

The foregoing deduction, however, will be allowed only when the seller has secured and retains in his files satisfactory proof:

(a) That under the terms of the sales agreement the seller was required to deliver the vehicle to the buyer at a point outside this state; and

(b) That such out-of-state delivery was actually made by the seller or by a common carrier acting as his agent.

For forms of proof acceptable to the department of revenue see below under retail sales tax-out-of-state delivery. For "interstate commerce" deductions, generally, refer to WAC 458-20-193A.

**RETAIL SALES TAX**

(1) Sales to nonresidents. Under RCW 82.08.0264 the retail sales tax does not apply to sales of vehicles to nonresidents of Washington for use outside this state, even though delivery be made within this state, but only when either one of the following conditions is met:

(a) Said vehicle will be taken from the point of delivery in this state directly to a point outside this state under the authority of a trip permit issued by the department of licensing pursuant to the provisions of RCW 46.16.160; or

(b) Said vehicle will be registered and licensed immediately (at the time of delivery) under the laws of the state of the purchaser's residence, will not be used in this state more than three months, and will not be required to be registered and licensed under the laws of this state.

Thus, in determining whether or not this particular exemption from the retail sales tax is applicable the dealer must establish the facts, first, that the purchaser is a bona fide nonresident of Washington and that the vehicle is for use outside this state and, second, that the vehicle is to be driven from his premises under the authority of either (a) a trip permit, or (b) valid license plates issued to that vehicle by the state of the purchaser's residence, with such plates actually affixed to the vehicle at the time of final delivery.

As evidence of the exempt nature of the sales transaction the seller, at the time of sale, is required to take an affidavit from the buyer giving his name, the state of his residence, his address in that state, the name, year and motor or serial number of the vehicle purchased, the date of sale, his declaration that the described vehicle is being purchased for use outside this state and, finally, that the vehicle will be driven from the premises of the dealer under the authority of a trip permit (giving the number) or that the vehicle has been registered and licensed by the state of his residence and will be driven from the premises of the dealer with valid license plates (giving the number) issued by that state affixed thereto. If the vehicle being sold is already licensed with valid Washington plates and the nonresident purchaser wishes to qualify for exemption by transporting the vehicle out of state under authority of a trip permit, the dealer is required to remove the Washington plates prior to delivery of the vehicle and retain evidence of such removal to avoid liability for collection and payment of the retail sales tax. The seller must himself certify by appending a certification to the affidavit, to the fact that the vehicle left his premises under the authority of a trip permit or with valid license plates issued by the state of the buyer's residence affixed thereto. The buyer's affidavit and the dealer's certificate must be in the following form:

#### AFFIDAVIT

For use by a NONRESIDENT buyer of a vehicle transporting the same outside this state under the authority of

- (a) ☐ Trip permit
- (b) ☐ Nonresident license plates (check appropriate box)

STATE of WASHINGTON }  
                              } ss.  
COUNTY of! }

          (Purchaser)          , being first duly sworn on oath, deposes and says:

That he is a bona fide resident of the State of \_\_\_\_\_ and that his address is \_\_\_\_\_ (street and number or rural route), \_\_\_\_\_ (city, town or post office), \_\_\_\_\_ (state); That on this date he has purchased from \_\_\_\_\_ (dealer) the following described vehicle, to-wit:

Make \_\_\_\_\_ Model \_\_\_\_\_  
Year \_\_\_\_\_ (Motor Number) \_\_\_\_\_  
(Serial No.) \_\_\_\_\_

and that said vehicle is being purchased for use outside this state and that the same will be driven from the premises of the dealer under the authority of (a) a trip permit numbered \_\_\_\_\_ which has been issued to him authorizing the transit of said vehicle, or, (b) that said vehicle is being purchased for use outside this state and will not be used in the State of Washington for more than three months; and That the affiant has licensed said vehicle in the state of \_\_\_\_\_ and has had issued to him by that state license plates numbered \_\_\_\_\_ which are valid until \_\_\_\_\_ (expiration date of license) and that said plates have been affixed to said vehicle prior to the time it has left the premises of the dealer.

Dated at \_\_\_\_\_, Washington, this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
Service No. if Member of Armed Services

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

\_\_\_\_\_  
Notary Public in and for the State of  
Washington, residing at \_\_\_\_\_

#### CERTIFICATE OF DEALER

I hereby certify that before final delivery of the vehicle described in the foregoing affidavit (a) I have examined trip permit No. \_\_\_\_\_ which authorizes transit of the vehicle described, or (b) that license plates numbered \_\_\_\_\_, issued to said vehicle by the state of \_\_\_\_\_ and expiring \_\_\_\_\_, were affixed thereto. I further certify that I have personally examined two or more of the following items of documentary evidence showing the purchaser's residency in the state of \_\_\_\_\_:

\_\_\_\_\_ Driver's license  
\_\_\_\_\_ Voter's registration

\_\_\_\_\_ Fishing or hunting license  
\_\_\_\_\_ Income tax returns  
\_\_\_\_\_ Other (specify) \_\_\_\_\_

I further certify that if the vehicle sold was already licensed with valid Washington plates, they were physically removed by \_\_\_\_\_, agent of the seller.

\_\_\_\_\_  
(Signature of dealer  
or representative)

\_\_\_\_\_  
(Title-  
Officer or Agent)

Failure to take this affidavit and to complete the dealer's certification, in full, at the time of delivery of the vehicle will negate any exemption from the buyer's duty to pay and the dealer's duty to collect the retail sales tax under RCW 82.08.0264. Furthermore, a copy of the completed affidavit and certification must be attached to the dealer's excise tax report submitted for the reporting period in which any such vehicles were sold. Such filing is a procedural requirement and does not conclusively establish the buyer's or seller's right to exemption.

The foregoing affidavit will be prima facie evidence that sales of vehicles to nonresidents have qualified for the sales tax exemption provided in RCW 82.08.0264 when there are no contrary facts which would negate the presumption that the seller relied thereon in complete good faith. The burden rests upon the seller to exercise a reasonable degree of prudence in accepting statements relative to the nonresidence of buyers. Lack of good faith on the part of the seller or lack of the exercise of the degree of care required would be indicated, for example, if the seller has knowledge that the buyer is living or is employed in Washington, if for the purpose of financing the purchase of the vehicle the buyer gives a local address, if at the time of sale arrangements are made for future servicing of the vehicle in the seller's shop and a local address is shown for the shop customer, or if the seller has ready access to any other information which discloses that the buyer may not be in fact a resident of the state which he claims. A nonresident permit issued by the department of revenue may be accepted as prima facie evidence of the out of state residence of the buyer, but does not relieve the seller from obtaining the affidavit and completing the certificate required by this rule.

Members of the armed services who are temporarily stationed in Washington pursuant to military orders will be presumed to be nonresidents unless such persons were residents of this state at the time of their induction. This presumption is not applicable in respect to civilian employees of the armed services.

In all other cases where delivery of the vehicle is made to the buyer in this state, the retail sales tax applies and must be collected at the time of sale. The mere fact that the buyer may be or claims to be a nonresident or that he intends to, and



Dated at \_\_\_\_\_, \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
Service No. if Member of Armed  
Services

#### CERTIFICATION OF DEALER

I hereby certify that I have this day delivered the vehicle hereinabove described to \_\_\_\_\_ (Name of purchaser) , at \_\_\_\_\_ (Place of delivery) \_\_\_\_\_.

Dated \_\_\_\_\_

\_\_\_\_\_  
(Signature of dealer  
or representative)

\_\_\_\_\_  
(Title-  
Officer or Agent)

When such out-of-state delivery is made by a common carrier acting as agent of the seller then, as evidence of the exempt nature of the transaction, the seller shall retain in his files a signed copy of the bill of lading issued by the carrier in which the seller is shown as the consignor and by which the carrier agrees to transport the vehicle to a point outside the state.

The retail sales tax applies upon sales at retail made by local dealers to local residents for use by them in this state, even though delivery may be taken by the purchaser at the factory or other point outside this state, or that shipment may be made direct from outside this state to the purchaser in this state. However, where delivery is taken by local residents in foreign countries the vehicles will be deemed not to be for use in this state and local dealers will not be required to collect the retail sales tax.

(3) Records to be retained by seller. The affidavits and certificates referred to in this rule must be retained by the seller in his files as a part of his permanent records subject to audit by the department of revenue. In the absence of such proof, claims that transactions were exempt from tax will be disallowed.

[Statutory Authority: RCW 82.32.300. 83- 08-026 (Order ET 83-1), '458-20-177, filed 3/30/83; Order ET 70-3, '458-20-177 (Rule 177), filed 5/29/70, effective 7/1/70.]

